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DEPARTMENT OF STATE

AIRGRAM

inco Mining Brazil

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AIR POUCH
HANDLING INDICATOR

TO : DEPARTMENT OF STATE (For U.S. Bureau of Mines)

1964 JUL 20 PM 2:19

1964 JUL 20 AM 8:34

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FROM : AmEmbassy, RIO DE JANEIRO DATE: July 15, 1964

SUBJECT : Evaluation of Mineral Products and Taxes for 1964

REF : Emb. A-1148, April 8, 1963 & CERP D-15

There is attached a translation of Circular No. 113 of June 22, 1964, issued by the Director of Internal Revenue as a schedule of assessed unit values for the purpose of computing the tax prescribed by the Mining Code on all Brazilian mineral commodities. This tax of 8% is the only one collected on mineral production and it comprises Federal (3%) and State and Municipal (5%) to be paid by the mineral producer.

The classification is the same as in 1963 except for a few cases wherein there have been changes such as for iron ore or entirely new listings such as for gold quartz or gold ore. These are noted.

Two copies of the "Diario Oficial" of June 30, 1964, in which the circular was published, are also attached.

For the Ambassador:
Alfred L. Ransome
Alfred L. Ransome
Minerals Attache

Enclosures:
1 - Translation of Circular No. 113 of June 22, 1964
2 - Two copies of the "Diario Oficial" of June 30, 1964.

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FORM 4-62 DS-323

Drafted by: EGON: ALRansome: dh Contents and Classification Approved by: Robert B. Elwood

Clearances:

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Authority NND 959000

TRANSLATION

DIRECTORATE OF INTERNAL REVENUE

Circular No. 113 of June 22, 1964

The Director of Internal Revenue of the National Treasury using the powers conferred upon him by paragraph 3 of Article 68 of Decree-law No. 1,985 of January 29, 1940 (Mining Code), altered by Decree-law No. 5,247 of February 12, 1943, there having been complied the legal requirements of the Departamento Nacional da Produção Mineral of the Ministry of Mines and Energy (Document No. 123.023/64), publishes, for the information of subordinate Departments, the schedule covering mineral substances to take effect during 1964, for the purpose of levying the 8% tax set up by the above mentioned Code.

Julio Barbieri
Director

SCHEDULE OF MINERAL SUBSTANCES FOR
1 9 6 4

Mineral Ores	Unit	Unit Value Cr\$	Comment
Aluminum:			
Aluminite, Bauxite, Gibbsite	Metric ton	1,500.00	
Beryllium or Glucinium:			
Industrial Beryl .	"	75,000.00	
Lead:			
Anglesite, Cerussite and Galena	"	7,500.00	
Copper:			
Azurite, Chalcocite, Chalcopyrite and Malachite	"	3,000.00	
Columbium or Niobium:			
Columbite	"	900,000.00	
Concentrated pyro- chlore	"	450,000.00	
Chrome:			
Chromite	"	4,500.00	

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Mineral Ores	Unit	Unit Value Cr\$	Comment
Tin:			
Cassiterite:			
a) Above 55% metal content (Sn)	Metric Ton	1,000,000.00	
b) Less than 55% metal content (Sn)	"	420,000.00	
Iron:			
Hematite, Magnetite	"	3,000.00) Different classification
Itabirite	"	2,000.00	
Canga	"	1,300.00	
Jacutinga (friable Itabirite)	"	1,000.00	
Fines (pulverulent iron ore)	"	800.00	
Lithium:			
Amblygonite	"	6,000.00	
Spodumene (industrial)	"	3,000.00	
Lepidolite	"	3,000.00	
Manganese:			
Ferro-manganese ...	"	3,000.00	
Psilomelane	"	10,500.00	
Pyrosulite	"	21,000.00	
Mercury:			
Cinnabar	"	4,500.00	
Molybdenum:			
Molybdenite	"	4,500.00	
Nickel:			
Garnierite, Peridotite, nickel-bearing Serpentine	"	1,500.00	
Gold:			
Gold quartz or any gold ore	"	4,000.00	- New classification
Per gram of metal	Gram	600.00	
Silver:			
Per kilo of metal	Kilo	15,000.00	
Tantalum:			
Tantalite	M. Ton	1,200,000.00	
Tapiolite	" "	1,200,000.00	
Titanium:			
Ilmenite	" "	15,000.00	
Rutile	" "	90,000.00	

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Mineral Ores	Unit	Unit Value Cr\$	Comment
Thorium:	Metric		
Monazite sand, clean	Ton	15,000.00	
Monazite, Xenotime	"	45,000.00	
Tungsten:			
Scheelite	"	195,000.00	
Wolframite	"	135,000.00	
Uranium:			
Euxenite	"	90,000.00	
Samarските, Fergusonite and other	"	105,000.00	
Zinc:			
Calamine, Sphalerite (Blende)	"	4,500.00	
Zirconium:			
Baddeleyite (Brasilia)	"	22,500.00	
Caldasite, Zircon ...	"	12,000.00	

INDUSTRIAL MINERALS

Algamatolite (Steatite, Talc, Soapstone, and Serpentine)	"	1,500.00	
Alum	"	1,200.00	
Asbestos	"	12,000.00	
Andalusite, Cyanite, Sillimanite	"	7,500.00	
Apatite	"	1,100.00	
Slate	"	1,200.00	
Bituminous Sand	"	320.00	
Clay:			
a) Common	"	500.00	
b) Refractory	"	1,200.00	
White Arsenic (Arsenic Anhydride)	"	21,000.00	
Natural Asphalt	"	1,100.00	
Barite:			
a) White, high quality	"	9,000.00	
b) Common	"	1,200.00	
Limestone, Calcite	"	500.00	
Kaolin	"	1,500.00	
Corundum (abrasive, re- fractory)	"	3,000.00	
Diatomite (Tripoli, Kieselguhr)	"	4,500.00	

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Minerals - Industrial	Unit	Unit Value Cr\$	Comment
Dolomite	M. Ton	1,200.00	
Staurolite for abrasives	" "	3,000.00	
Feldspar	" "	1,000.00	
Fluorite	" "	11,000.00	
Sedimentary Phosphate	" "	1,100.000	
Gibbsite	" "	1,200.00	
Graphite	" "	4,500.00	
Garnet for abrasives .	" "	9,000.00	
Granite and Gneiss ...	" "	500.00	
Guano	" "	600.00	
Leucite	" "	1,200.00	
Leucophyllite	" "	1,200.00	
Magnesite	" "	3,000.00	
Marble	" "	12,000.00	Diff. classif.
Mica:			
a) Ruby:			
I - Special	Kilogram	2,500.00	
II - A-1 to 5	"	650.00	
III - 5 1/2 and 6	"	250.00	
IV - Trimmings	"	8.00	
b) Other grades of mica		50% of the above values	
Ochre:			
a) Yellow or red ...	M. Ton	3,000.00	
b) Green (Pinguite)	" "	6,000.00	
Pyrite	" "	4,000.00	
Quartzite:			
a) Common	" "	500.00	
b) São Thome	" "	5,000.00	
Quartz:			
a) Quartz sand	" "	500.00	
b) Rock Crystals (lasca up to 100 grams)	Kilogram	250.00	
c) Rock Crystals, glassy, faceted and irregular	"		
I - From 100 to 200 grams	"	1,000.00	
II - Above 200 grams	"	6,500.00	
Potassium Rock (False Leucite	M. Ton	1,100.00	
Salt peter	" "	4,000.00	

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Minerals - Industrial	Unit	Unit Value Cr\$	Comment
Saprolite	M. Ton	500.00	
Silex	" "	500.00	
Rock Salt:			
a) For the salt in- dustry	" "	2,500.00	
b) For the alkali industry	" "	550.00	
Peat	" "	500.00	
Vermiculite	" "	10,000.00	
Bituminous Shale	" "	400.00	
GEMSTONES			
Andalusite	Gram	500.00	
Beryl:			
a) Aquamarine blue:			
I - Special	"	12,000.00	
II - Heavy color	"	8,000.00	New Classif.
III - Medium color	"	1,200.00	
IV - Light color	"	160.00	
b) Rose color (morga- nite):			
I - Heavy color	"	400.00	
II - Light color	"	50.00	
c) Yellow color:			
I - Golden yellow	"	480.00	
II - Light yellow	"	160.00	
d) Light Green (Aqua- marine)	"	160.00	
e) Emerald Green (Bra- zilian Emerald)	"	8,000.00	
Chalcedony (Agate, Carne- lian, Chrysoprase, Jas- per, Onyx and other varieties)	"	160.00	
Chrysoberyl:			
a) Common	"	320.00	
b) Cat's Eye	"	8,000.00	
Spodumene (Hiddenite and Kunzite)	"	500.00	
Diamonds:			
a) Above 3 carats (any type)	Carat	Ad-valorem	
b) Cuttable	"	32,000.00	

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Gemstones	Unit	Unit Value Cr\$	Comment
Diamonds (Cont'd):			
c) Industrial	Carat	8,000.00	
d) Low quality	"	3,200.00	
e) Carbonados	"	2,500.00	
Gemstones, not specified	Gram	80.00	
Garnet	"	130.00	
Obsidian and Volcanic Glass	Kilogram	80.00	
Opal	Gram	500.00	
Yellow Quartz (Citrine)			
a) Heavy color	"	250.00	
b) Medium color	"	50.00	
c) Light color	"	16.00	
d) Heated (Rio Grande do Sul type) ..	"	130.00	
Smoky Quartz (Morion)	"	16.00	
Rose Quartz:			
a) Heavy color	Kilogram	200.00	
b) Medium color	"	150.00	New classif.
c) Light color	"	100.00	
Violet Quartz (Amethyst):			
a) Special color (velvet)	Gram	500.00	
b) Heavy color	"	250.00	
c) Medium color	"	130.00	
d) Light color	"	32.00	
Green Quartz (Aventurine)	Kilogram	160.00	
" " (Prase)	Gram	130.00	
Sodalite	Kilogram	160.00	
Waste material from all kinds of semi-precious gemstones and their varieties (stones of a very low quality) ...			
Specimens acquired by scientific and cultural associations for speci- fic purposes	"	Ad-valorem))) New classifi- cation
Topaz:			
a) Yellow (Imperial)	Gram	1,600.00	
b) Bluish color	"	600.00	
Tourmaline:			
a) Bluish color	"	800.00	
b) Black (Aphrisite)	"	160.00	

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Gemstones	Unit	Unit Value Gr\$	Comment
Tourmaline (Cont'd):			
c) Rose color, including Rubyllite	Gram	1,200.00	
d) Green, special color	"	1,600.00	
e) Bottle green color	"	320.00	
Mineral Waters, Thermal and Gaseous:			
a) At the fountain or bottled	Liter	12.00	
b) Consumed in baths	Cu.Mt.	120.00	

REMARKS:

1) The 8% tax on the value of the mineral substances (art. 68 of the Mining Code) with the exception of coal and petroleum, includes any other imposts or taxes, except the income tax, which may be levied either on the deposit or mine, on the product extracted therefrom, on the miner himself or the operations he may carry out with said product. This tax is distributed as follows:

- a) 3% for the Federal Government to be paid when shipments are made (Art. 3 and its paragraphs, Decree-law No. 5,247 of February 12, 1943).
- b) 5% for the State and Municipality, to be paid per month or per year, or when shipments are made. The State will establish, previously, by decree, the amounts which pertain to the State and those which pertain to the Municipality (Art. 3 of Decree-law no. 5,247 of February 12, 1943).

2) For the purpose of the payment of the tax, mineral substances not mentioned in this schedule, shall pay the same tax as that levied on similar mineral substances, taking into account their usual economic utilization, their value and content of the component metals or metalloids. Mineral substances not considered as similar products shall pay an ad-valorem tax.

3) All the gemstones listed in this schedule, the unit given in grams, shall pay an ad-valorem tax if they contain more than 5 grams and, in no event, shall the tax be less than that given in the schedule for the smaller gemstones.

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4) In the event the tax refers to the content of the ore and whenever, after the tax is paid, it becomes evident that the statements or documents presented by the contributor are false and incorrect or whenever the existence of a higher content is proved, a fine shall be charged on the difference, levied by means of a regular process. The same procedure shall be followed in the event of an ad-valorem tax, if it is verified that the declared value is lower than the real value.

5) The department will not receive the payment covering an ad-valorem tax or that referring to the content of the ore if, at the time of its presentation, the department has means to question the statements or documents presented by the contributor regarding the content and other data which may affect the calculation of the tax.

Source: "Diário Oficial"
June 30, 1964.

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